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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15 (d)
of The Securities Exchange Act of 1934

For Quarter Ended January 31, 1992 Commission file number 0-8209

DOAK PHARMACAL CO., INC.
(Exact name of registrant as specified in its charter)

NEW YORK	13-1681155
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

67 SYLVESTER STREET, WESTBURY, NEW YORK 11590
(Address of principal executive offices)

(516) 333-7222
(Registrants' telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filings requirements for the past 90 days.

YES X NO

The number of shares outstanding of the registrant's common stock, par value $.10 per share, as of March 14, 1992 was 791,909.

BEST COPY AVAILABLE

DOAK PHARMACAL CO., INC.
AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

ASSETS	January 31, 1992 (UNAUDITED)	October 31, 1991
CURRENT ASSETS:		
Cash and cash equivalents	$ 184,427	$ 213,975
Accounts receivable, less allowance for doubtful accounts of $28,300 in 1992 and 1991.	227,868	134,548
Inventories (Note 3)	304,881	340,032
Prepaid expenses and other current assets	105,891	120,933
Total current assets	823,067	809,488
PROPERTY AND EQUIPMENT, net (Note 4)	122,945	103,046
OTHER ASSETS	346	692
	$ 946,358	$ 913,226
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	7,987	4,135
Accounts payable	54,301	71,907
Accrued expenses and other current liabilities	55,521	59,390
Total current liabilities	117,809	135,432
LONG-TERM DEBT	235,611	240,813
STOCKHOLDERS' EQUITY (Note 7)		
Common stock, par value $.10 per share, authorized 3,000,000 shares, issued 791,879 shares January 31, 1992 and 760,603 shares October 31, 1991, respectively (including 4,300 shares held in treasury)	79,188	79,188
Additional paid-in capital	1,241,541	1,241,541
Deficit	(716,517)	(772,474)
	605,212	548,255
Less cost of shares of common stock held in treasury	(11,274)	(11,274)
	593,938	536,981
	$ 946,358	$ 913,226

See notes to consolidated financial statements

DOAK PHARMACAL CO., INC.
AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

	Three Months Ended January 31	
	1992	1991
REVENUE:		
Net sales	$496,336	$403,218
Other Income	2,283	2,487
	498,619	405,705
COSTS AND EXPENSES:		
Cost of Sales	269,504	184,076
Selling and shipping	79,224	113,787
General and administrative	86,084	94,966
Research and development	0	2,813
Interest (Note 7)	7,848	7,526
	442,660	403,168
INCOME BEFORE PROVISION FOR INCOME TAXES AND EXTRA-ORDINARY ITEM	55,959	2,537
PROVISION FOR INCOME TAXES (Note 5)	14,000	375
INCOME BEFORE EXTRAORDINARY ITEM	41,959	1,962
EXTRAORDINARY ITEM - INCOME TAX BENEFIT RESULTING FROM UTILIZATION OF NET OPERATING LOSS CARRYFORWARD	14,000	575
NET EARNINGS	$ 55,959	$ 2,537
AVERAGE NUMBER OF COMMON AND COMMON EQUIVALENT SHARE OUTSTANDING	791,909	769,318
PER SHARE INFORMATION:		
Income before extraordinary item	$ .05	$ -
Extraordinary item	$ .02	$ -
Net earnings	$ .05	$ -
Cash dividends	NONE	NONE

See notes to consolidated financial statements

DOAK PHARMACAL CO., INC
AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	Three Months Ended January 31	
	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$ 55,959	$ 2,537
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	8,094	6,299
Stock issued for interest on 13.25% debenture	0	7,849
Changes in operating assets and liabilities:		
(Increase) in accounts receivable	(93,320)	(19,309)
Decrease in inventories	35,151	74,735
Decrease in prepaid expenses and other current assets	15,042	6,328
Decrease in Security Deposit	346	
(Decrease) Increase in accounts payable	(17,606)	(19,799)
Decrease in accrued expenses and other current liabilities	(3,869)	(5,072)
Total adjustments	51,023	51,031
Net cash provided by operating activities	(203)	53,568
CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditures	27,995	(5,950)
Net cash used in investing activities	27,995	(5,950)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on long-term debt and capital lease obligations, net	(1,350)	(2,727)
Net cash used in financing activities	(1,350)	(2,727)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(29,548)	44,891
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	213,975	34,924
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$184,427	$79,815

See notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 - Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with instructions to Form 10-Q and do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management all adjustments consisting of normal accruals considered necessary for a fair presentation have been included. For further information, refer to the financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended October 31, 1991.

NOTE 2 - Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Doak Pharmacal Co., Inc. and its subsidiary, which is wholly-owned. All inter-company balances and transactions have been eliminated.

NOTE 3 - Inventories

Inventories are stated at the lower of cost (first-in first-out) or market.

NOTE 4 - Property and Equipment

Property and equipment is stated at cost less accumulated depreciation computed on a straight line basis over the estimated lives of the related assets. Capitalized values of property under leases and leasehold improvements are amortized over the life of the lease or the estimated life of the asset, whichever is shorter.

NOTE 5 - Income Taxes

The provision for income taxes of $14,000 in 1992 represents income taxes which would have been required to be paid had the Company not been able to utilize approximately $14,000 in 1992 of net operating loss carry forwards. The income tax benefit resulting from utilization of the net operating loss carry forwards is presented as an extraordinary item.

At January 31, 1992, the Company has approximately $508,000 and $462,000 of net operating loss carryforwards on the book and tax basis, respectively that expire through the year 2002.

NOTE 6 - Net Income Per Share

Net income per average common and common equivalent share has been on the basis of the weighted average number of common shares and equivalents outstanding during the period.

NOTE 7 - 13.25% Subordinated Convertible Debenture

The Debenture bears interest at the rate of 13.25% per annum, payable quarterly in shares of the Company's Common Stock. Interest of $7,849 has been accrued for the period November 1, 1991 through January 31, 1992 and remains unpaid.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF

FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(Unaudited)

Liquidity and Capital Resources:

The Company's working capital increased by 32,202 during the three months ended January 31, 1992.

Management of the Company believes that its working capital of as of January 31, 1992 is adequate to meet its requirements.

Results of Operations:

For the three months ended January 31, 1992 the Company earned net income of $55,959 compared to $2,530 reported last year. This resulted primarily from an increase in sales volume.

Sales increased by approximately $93,000 (23%) when compared to the three months ended January 31, 1991. This was the result of incresed sales in export markets.

Selling and shipping expenses decreased by approximately $34,000 (38%). This was the result of decreases in advertising, sales salaries and promotional expenses.

For the three months ended January 31, 1992 general and administrative expenses remained about the same.

Part II. Other Information

NONE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: Westbury, New York
March 13, 1992

DOAK PHARMACAL CO., INC.

BY: _____
LORNA ADAMS, PRESIDENT

BY: _____
JOHN D. KRAFCHUK, M.D.
CHAIRMAN OF THE BOARD